

Message Text

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ORIGIN EB-07

INFO OCT-01 EA-07 IO-13 ISO-00 SSO-00 NSCE-00 INRE-00
SS-15 SP-02 NSC-05 L-03 AGRE-00 CIAE-00 COME-00
INR-07 LAB-04 NSAE-00 EPG-02 STR-04 TRSE-00
FRB-03 OMB-01 PA-01 PRS-01 USIE-00 /076 R

DRAFTED BY EB/FTD:SFOUTS:HM
APPROVED BY EB:PHBOEKER
COMMERCE - AGAREL
LABOR - HBLACKMAN
EA/PRCM - MVONBRIESEN
L/T - POLS N
L/EB - CROH

-----053970 231641Z /44

O P 231628Z JUL 77
FM SECSTATE WASHDC
TO AMCONSUL HONG KONG IMMEDIATE
INFO USMISSION GENEVA PRIORITY

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E.O. 11652:N/A

TAGS:ETRD, HK

SUBJECT: BILATERAL TEXTILE AGREEMENT.

1. CONSULATE GENERAL IS AUTHORIZED TO EXCHANGE NOTES AS
SET FORTH BELOW, EXTENDING CURRENT BILATERAL AGREEMENT
THROUGH DECEMBER 31, 1977. PLEASE CALL PETER TSAO AT
HOME TO INFORM HIM THAT WE ARE PREPARED TO EXCHANGE THIS
NOTE. WHEN EXCHANGE IS COMPLETED, PLEASE INFORM DEPARTMENT
BY IMMEDIATE CABLE FORWARD ORIGINAL AND ONE COPY OF HONG
KONG NOTE AND TWO COPIES OF CONGEN NOTE TO DEPARTMENT IN
ACCORDANCE WITH 11 FAM 723.7.

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2. TEXT OF NOTE:
"EXCELLENCY:

I HAVE THE HONOR TO REFER TO THE ARRANGEMENT REGARDING
INTERNATIONAL TRADE IN TEXTILES (HEREINAFTER REFERRED TO AS
THE ARRANGEMENT), DONE IN GENEVA ON DECEMBER 20, 1973.

I ALSO REFER TO THE BILATERAL AGREEMENT OF JULY 25, 1974, AS AMENDED (HEREINAFTER REFERRED TO AS THE AGREEMENT), RELATING TO TRADE IN COTTON, WOOL AND MAN-MADE FIBER TEXTILES BETWEEN HONG KONG AND THE UNITED STATES OF AMERICA, AND TO DISCUSSIONS BETWEEN REPRESENTATIVES OF THE GOVERNMENT OF HONG KONG AND THE UNITED STATES HELD IN LYON AND GENEVA FROM JUNE 1 TO JUNE 23, 1977, CONCERNING THE EXTENSION OF THE AGREEMENT. AS A RESULT OF THESE DISCUSSIONS, AND IN CONFORMITY WITH ARTICLE 4 OF THE ARRANGEMENT, I PROPOSE ON BEHALF OF MY GOVERNMENT THAT THE AGREEMENT BE AMENDED AS FOLLOWS:

1. THE AGREEMENT IS EXTENDED ALSO TO COVER THE PERIOD OCTOBER 1, 1977 THROUGH DECEMBER 31, 1977.

2. THE AGREEMENT YEAR COVERING THE PERIOD OCTOBER 1, 1976 THROUGH SEPTEMBER 30, 1977 UNDER THE AGREEMENT IS EXTENDED TO INCLUDE THE PERIOD FROM OCTOBER 1, 1976 THROUGH DECEMBER 31, 1977, WITH THE AGGREGATE AND SPECIFIC LIMITS FOR THE AGREEMENT YEAR COVERING THE PERIOD FROM OCTOBER 1, 1976 TO DECEMBER 31, 1977 BEING EQUAL TO 126.5625 PERCENT OF THE EQUIVALENT LIMITS OF THE OCTOBER 1, 1976 TO SEPTEMBER 30, 1977 AGREEMENT YEAR; EXCEPT THAT SPECIFIC LIMITS ON WOOL TEXTILES SHALL BE EQUAL TO 125.25 PERCENT OF THE EQUIVALENT LIMITED OFFICIAL USE

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LIMITS FOR THE OCTOBER 1, 1976 TO SEPTEMBER 30, 1977 AGREEMENT YEAR. THE GROUP LIMIT FOR WOOL TEXTILES (GROUP IV) FOR THE AGREEMENT YEAR COVERING THE PERIOD OCTOBER 1, 1976 TO DECEMBER 31, 1977 SHALL BE EQUAL TO 125.25 PERCENT OF THE GROUP LIMIT FOR WOOL TEXTILES (GROUP IV) FOR THE AGREEMENT YEAR OCTOBER 1, 1976 TO SEPTEMBER 30, 1977; THE DIFFERENCE BETWEEN THE AMOUNTS RESULTING FROM THE APPLICATION OF 6.25 PERCENT ANNUAL GROWTH TO THE AGGREGATE LIMIT AND 1 PERCENT ANNUAL GROWTH TO THE WOOL GROUP LIMIT SHALL BE DIVIDED PRO RATA AMONG THE GROUP LIMITS FOR GROUPS I, II AND III. RESTRAINT LEVELS ON PRODUCTS (CATEGORIES) ESTABLISHED IN ACCORDANCE WITH PARAGRAPH 8 OF THE AGREEMENT FOR THE AGREEMENT YEAR COVERING THE PERIOD OCTOBER 1, 1976 TO SEPTEMBER 30, 1977 ARE TO BE APPLIED TO EXPORTS OF SUCH PRODUCTS (CATEGORIES) FOR THE AGREEMENT YEAR COVERING THE PERIOD OCTOBER 1, 1976 TO DECEMBER 31, 1977; SUCH LEVELS FOR THE AGREEMENT YEAR COVERING THE PERIOD OCTOBER 1, 1976 TO DECEMBER 31, 1977 SHALL BE 125 PERCENT OF THE CORRESPONDING LEVELS FOR THE AGREEMENT YEAR COVERING THE PERIOD OCTOBER 1, 1976 TO SEPTEMBER 30, 1977 UNLESS OTHERWISE AGREED.

3. IN ORDER TO AVOID DISTORTION OF EXISTING TRADE PATTERNS, THE AGGREGATE, GROUP, AND SPECIFIC LIMITS FOR THE AGREEMENT YEAR COVERING THE PERIOD OCTOBER 1, 1976 TO DECEMBER 31, 1977 MAY, AFTER MUTUALLY SATISFACTORY COMPLETION OF CONSULTATIONS, BE EXCEEDED BY NOT MORE THAN 6 PERCENT OF THE LIMITS APPLICABLE TO THE AGREEMENT YEAR COVERING THE PERIOD OCTOBER 1, 1976 TO SEPTEMBER 30, 1977 MULTIPLIED BY 1.015625, EXCEPT FOR WOOL LIMITS, WHICH SHALL BE MULTIPLIED BY 1.0025, PROVIDED THAT AN EQUIVALENT REDUCTION IS MADE TO THE APPROPRIATE APPLICABLE LIMITS DURING THE FIRST AGREEMENT YEAR OF THE BILATERAL TEXTILE RESTRAINT AGREEMENT BEGINNING JANUARY 1, 1978.
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4. BOTH GOVERNMENTS, RECOGNIZING OUTSTANDING STATISTICAL AND CATEGORY DIFFERENCES PERTAINING TO SHIPMENTS OF COTTON KNIT SHIRTS/TANK TOPS, AGREE TO MEET AT THE EXPERT LEVEL BEFORE AUGUST 18, 1977 IN ORDER TO RESOLVE SUCH DIFFERENCES PRIOR TO SEPTEMBER 30, 1977.

IF THIS PROPOSAL IS ACCEPTABLE TO THE GOVERNMENT OF HONG KONG, THIS NOTE AND YOUR NOTE OF ACCEPTANCE ON BEHALF OF THE GOVERNMENT OF HONG KONG SHALL CONSTITUTE AN AGREEMENT BETWEEN OUR TWO GOVERNMENTS, AMENDING THE AGREEMENT.

ACCEPT, EXCELLENCY, THE RENEWED ASSURANCES OF MY HIGHEST CONSIDERATION. "

3. PRESS GUIDANCE FOLLOWS. VANCE

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Message Attributes

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Control Number: n/a
Copy: SINGLE
Sent Date: 23-Jul-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
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Disposition Reason:
Disposition Remarks:
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Handling Restrictions: n/a
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Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
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Secure: OPEN
Status: NATIVE
Subject: BILATERAL TEXTILE AGREEMENT.
TAGS: ETRD, HK
To: HONG KONG
Type: TE
vdkgvwkey: odb://SAS/SAS.dbo.SAS_Docs/8dc8f264-c288-dd11-92da-001cc4696bcc
Review Markings:
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